

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of MAYACAMA GOLF CLUB, LLC, for a Certificate of Public Convenience and Necessity in Order to Provide Public Utility Sewer Services Solely to the Mayacama Golf Club Located Within the County of Sonoma.

Application 01-11-034  
(Filed November 8, 2001)

**ADMINISTRATIVE LAW JUDGE'S RULING  
REQUIRING ADDITIONAL INFORMATION**

In an effort to obtain additional information, the assigned Administrative Law Judge orally requested that the applicant provide information that should have been included in the filing. Applicant provided some requested information, but in order to complete the record and to process the application, it is necessary that applicant provide additional data in a ratemaking format. This will enable the Commission to determine the revenue requirement of the proposed sewer system and to design appropriate monthly rates.

Applicant should have complied with our Rule 18 of the Commission's Rules of Practice and Procedure. Rule 18 is applicable to any new public utility that applies for a certificate of public convenience and necessity (CPCN) to begin the construction of its plant or system. Applicant did not provide a summary of earnings, a revenue requirement or a rate design in the manner we have come to expect. Applicant did provide percentages based on lot sizes to apportion fixed costs, but did not provide a complete rate design.

To assist applicant's compliance with Rule 18, we are providing a format, "Table A," that applicant can fill out so that a revenue requirement and rate design can be properly derived. Also, we need responses to some additional questions, again, information that should have been set forth in the application.

Therefore, **IT IS RULED** that:

1. Mayacama shall file and serve the following no later as soon as possible, but no later than June 10, 2002:
  - a. A completed Table A, copy attached, of the estimated summary of earnings for the first and fifth year of operations and a rate design, for the first year of operation and for the fifth year showing the derivation thereof. Table A is typically provided by water/sewer utilities seeking a CPCN. Applicant may aggregate those expenses that are included in the sewer operator's cost.
2. Please provide responses to the following statements or questions:
  - a. It appears from a reading of the application and supporting documentation that the sewer plant and supporting facilities are donated to the sewer company, and therefore no return will be expected, is that correct? If that is correct, applicant may then use an operating ratio of 15% in calculating its profit as shown on Table A
  - b. Based on the completion of Table A, please provide a proposed monthly rate for the residential units, the short-term accommodation units and for the clubhouse, including any restaurant, or other facility that would use the wastewater connection. Please include workpapers supporting the rate design. A monthly flat rate based on estimated water usage for each type of user would be a reasonable method to allocate the revenue requirement.

Dated May 30, 2002 at San Francisco, California.

/s/ DEAN J. EVANS

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Dean J. Evans  
Administrative Law Judge

## ATTACHMENT

**TABLE A**  
**ABC Sewer Company**  
**SUMMARY OF EARNINGS**

<u>Item</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Number of Customers					
Residential Flat Rate Revenue @ \$XX.XX per month					
Single Family Homes					
Short-term Acom. Units					
Commercial Flat Rate Revenue	<b>(provide a separate worksheet for details of Commercial Revenues)</b>				
Restaurant					
Golf Facilities					
Total Annual Revenue					
<u>Operating Expenses</u>					
Employee Labor					
Materials					
Contract Work-Lab					
Contract Work-Other					
Transportation					
Other Plant Maintenance					
Sewer Lease					
Other Salaries					
Management Salaries					
Employee Health and Pension					
Uncollectables					
Other Service and Rent					
Other Supplies					
Insurance					
Regulatory Expense					
General Expenses:					
Parts / Supplies					
Utilities					
Fuel Oil / Chem Costs					
Permits/Fees					
Sewer Clearing					
Sludge Disposal					
General Expense Total					
Subtotal Expenses					
<b>O/E Ratio Profit of X.X%</b>					
Depreciation					
Franchise Fee					
Property Taxes					
Payroll Taxes					
State Tax					
Federal Tax					
Total Expenses					
Revenue minus Expenses					

**CERTIFICATE OF SERVICE**

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Requiring Additional Information on all parties of record in this proceeding or their attorneys of record.

Dated May 30, 2002 at San Francisco, California.

/s/ TERESITA C. GALLARDO  
Teresita C. Gallardo

**N O T I C E**

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

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